

**Queen's University
Library**

KINGSTON, ONTARIO

With the Author's Consent

THE
Unequal Distribution of Wealth.

~~~~~  
**A LECTURE**

DELIVERED BEFORE "THE KNIGHTS OF LABOUR,"  
IN THE OPERA HOUSE, BELLEVILLE,

—BY—

**THOMAS RITCHIE,**

*President of the Belleville Board of Trade.*

=====

PUBLISHED BY REQUEST.

=====

BELLEVILLE, ONT.:  
PRINTED AT THE DAILY INTELLIGENCER OFFICE.

1889.

U

THE  
**Unequal Distribution of Wealth.**

~~~~~  
A LECTURE

DELIVERED BEFORE "THE KNIGHTS OF LABOUR,"
IN THE OPERA HOUSE BELLEVILLE,

—BY—

THOMAS RITCHIE,

President of the Belleville Board of Trade.

PUBLISHED BY REQUEST.

F1028
1889 R

PREFACE.

The subject of the following paper is one that, however carefully and concisely treated, could not possibly be brought fully under view in a single lecture, consequently it is with some reluctance that the writer consents to have it printed, more especially as the lecture was prepared hurriedly, during the pressure of other business.

The question involved is pre-eminently a moral one, relating to the natural rights of man. It deals with a principle at the basis of the social compact which is essentially unjust. The difficulty in dealing with it lies, not so much in the nature of the subject itself, as in directing men's attention to it, and in getting them to think on its character and bearing. It is not easy to look at social matters of this kind with an open mind, free from the bias of long established custom and usage. One brought up in society where slavery prevails unquestioned, would find it difficult to think of it in any other light than as right and proper and even necessary. If it were regarded as right throughout the world it would be still more difficult for the mind to admit of its justice being called in question. Anyone challenging its rightness or attempting to expose its evil with a view to abolish it, would meet with the most determined opposition, and all sorts of plausible arguments would be advanced in its defence, such as those connected with vested rights, the prosperity of the State, the well being of the slaves, &c., and Scripture authority would be copiously adduced to back these. Such we know to have been the case where slavery has existed in modern times. We have a parallel case in what is now before us.

UN

TH
which
lands
the p
mom

By
of co
divid
but w
just r
as ea
that
there
of im
the d
social
the v
gross

TH
mod
insti
sent
will
the
The

THE UNEQUAL DISTRIBUTION OF WEALTH.

The question of the Unequal Distribution of Wealth is one which is now engaging the attention of thoughtful men in all lands, and it is without exception the most important one of the present day. Upon its practical solution depend the most momentous concerns affecting modern civilization.

By the expression Unequal Distribution of Wealth it is not, of course, implied that the wealth of the world ought to be divided in equal shares to each man, which would be absurd, but what is implied is, that every man ought to be secure in a just return of the products of his own labour, in other words, as each man sows he ought to be permitted to reap, and not that one man should plant a vineyard and another eat the fruit thereof. The object of this paper is to show that the centering of immense wealth in the hands of the few, side by side with the deepest poverty of the many, arises from the antagonism of social custom to natural law,—to show that society throughout the world, under the sanction of law and custom, permits a gross injustice to be inflicted on the majority of mankind.

Though we boast of the enlightenment and progress of modern times, and of the strength and permanency of our institutions in so-called Christian lands, yet there is that presented to us in the Unequal Distribution of Wealth, which will eventually either enslave the majority of men or overwhelm the whole social fabric in destruction, bloodshed and ruin. The only hope I can see of avoiding one and the other of these

calamities is in awakening an intelligent enquiry among the people as to the cause of the evil. Millions of men in Europe and America are already fully awakened to the *fact* of the unjust distribution of the products of labour, and in presence of the fact they naturally chafe and are restless and angry. They would change things for the better if they knew how,—but they cannot find the *cause*, and unless they get at the cause they cannot remove the effect. Now these millions are coming to recognize their power, they feel the blood of manhood coursing through their veins, and if they cannot get justice they will eventually resent injustice by force, and the overwhelming force is on their side. But we know that force unguided by intelligence and wisdom will rush to destruction. The multitude, the masses, really have the power, and they could guide the state if they only knew how to use their power aright. But as things are the mass of the people both in Europe and America, are like Samson of old with his eyes torn out, and those who ought to be eyes to them to guide them in the right way will not themselves come to the light, they but mock their frantic struggles. Thus maddened by taunts and wrongs, blindly striving to deliver themselves from chains, they may yet embrace, like Samson, the pillars of this social edifice and bowing themselves in their strength may, with a mighty crash, bring the whole down with destruction on their tormentors and themselves alike, involving all in a common ruin.

In dealing with this subject to-night, I am not so sanguine as to expect to convince any who have not previously thought on the matter. To do this it would be necessary to present every aspect of the subject in detail, and establish each step of the argument from beginning to end, which it is manifestly impossible to do in a single lecture. This would need a volume. We shall be amply repaid, however, if we succeed in arousing a spirit of enquiry and impress some one or more of the vital importance of the subject. Of course there are some people whom no amount of fact or logic will move from the prejudice

of long established custom, and there are others, superior sort of persons, who brush the consideration of these things aside with a haughty superciliousness. Again, there are others who declare flatly that the order of things in social affairs as we find it is by the appointment of Divine Providence, and we are guilty in seeking to disturb it. In other words, these people, to relieve themselves of responsibility and quiet their consciences, would have us believe that the Divine Father, the giver of all good, is the author of wrong and injustice among men. This seems to me little short of blasphemy, yet this is practically the attitude assumed by numbers, even by many who ought to be the moral guides of the people to lead them in the paths of justice and righteousness.

It does not need a lengthened argument to prove that there is something fundamentally wrong in our social system, it is only too palpably manifest that notwithstanding the wonderful increase in the production of wealth in the last half century by discoveries in the arts and sciences, and the application of the power of steam, the rich are only becoming richer and the poor poorer, and more dependent upon the wealthy few.

The production of wealth in one year now in proportion to the population is probably far more than double what it was fifty years ago, consequently there ought to be more for each and all than there was fifty years ago. But what do we see? What is the fact? In proportion as the rapidity of production increases, in that proportion does wealth centre in the hands of a comparatively few. Each successive year the matter becomes worse, and not only an increasing *amount* but an ever increasing *proportion* of the products of labour goes to enrich those of great wealth. It is like sliding down hill, at first going somewhat slowly, but as we proceed the speed increases, and it is not hard to tell what must inevitably be the consequence within a very short period as wealth becomes more and more concentrated in the hands of a few individuals in a few of the great cities. Although we may shut our eyes to it, the ultimate

result of all this must be the enslavement of the people as thoroughly and truly as if they were the personal property of their wealthy masters. This has become to a large extent the case already even in the United States where they boast more of their freedom and equality than any where else under the sun.

Now if we would remove the evil through which labour is deprived of opportunity to produce, and of a just return of what it does produce, we must get at the *cause* or no permanent reform can be effected. We must seek to get at the root of the disease in our social system. Pruning the branches will not kill the worm at the root. Unless we remove the cause we cannot remove the effect of withering leaves. A great amount of legislation has of late years been enacted professedly in the interests of labour, but which practically does not benefit the producing classes one particle, and in many cases injures them still more.

Hitherto I think social questions of this kind have been dealt with on wrong lines both by rich and poor alike. The first question usually asked by the wealthy capitalist, and also by the poorer workman, has been, will I *gain* personally by this or that change, instead of first asking is this law or custom *right* and *just* to all. Now I am as fully persuaded as that I am standing here that we shall never get any nearer to a solution of this great social problem of the unequal distribution of wealth until we fully determine to separate the consideration of individual or local loss or gain from what ought to be the first consideration, namely, righteousness and justice. If we are to reform the world and bring about a happier state of things we must build upon a solid foundation, and this foundation must be just and right and equal, and fitted universally for all classes both rich and poor alike to build on. Let us determine then to find out the right and stand by it whatever comes of it. Let the truth be told and firmly adhered to though the heavens fall.

The terms Wealth, Capital, Labour and Wages are words which

we shall need to use very often in discussing our subject, and at the risk of appearing tedious I would ask your attention to a definition of these. It may seem quite unnecessary to define the meaning of such simple words which are daily in every one's mouth, but from actual observation I have found that most of the errors made in discussing the subject before us arise from misunderstanding the meaning of these terms, Wealth, Capital, Labour and Wages.

What does the term Wealth comprehend? Wealth consists of the products of labour which men need or desire. Many confound wealth with money, but money is merely a part of wealth and a very small part indeed, its use being to denominate our idea of the value of commodities and to enable us readily to exchange one portion of wealth for another portion. There is not more, perhaps, than twelve million dollars of money in this whole Dominion at the outside, whereas the wealth of the country is to be reckoned at many hundreds or thousands of millions. Money forms so small a part of wealth that we might leave it out of consideration altogether when speaking of wealth. Most of the transactions in trade and commerce and the paying of wages are done with bank notes, bills of exchange, &c., which really are not money, for properly speaking only gold and silver coin is money.

Bank notes, bills of exchange, bonds, &c. constitute no part of wealth whatever. All the bank notes and bills might be destroyed to-morrow, but the sum of the wealth of the whole country would not be diminished thereby one fraction, except to the value of the paper and the printing on them. The wealth which the bills represented would still remain as it was, that is, the houses, mills, factories, machinery, clothing, farm products, furniture, jewellery, &c., and all those things which constitute wealth, would not be affected at all by the destruction of all the paper currency. The present ownership would be affected in law but that is all,—what one would gain, however, another would lose, and what one would lose another

would gain, but the total sum of wealth in the Dominion would remain the same as before. * So you must leave out of your mind altogether the false idea that bank notes and bonds and mortgages and such like are wealth, these are no part of wealth at all in any sense. Money proper, that is, gold and silver coin, is *part* of wealth, but as was said before, it is only a very small part, so small that it might be left out of consideration entirely in discussing the question of wealth.

little essay { Wealth consists of those things which are the products of labour which men need and desire. All wealth is the product of labour. There is no wealth which is not the product of labour. There may be some things, however, which are the product of labour which could not be considered wealth, for example, you might bestow an immense amount of labour in producing something which nobody wants or cares to possess, this would not be wealth. Therefore I define wealth to consist of those things which men need or desire, which are the products of labour. We frequently use common words like this in a loose way without a definite meaning, which leads to great confusion of thought and misunderstanding on this question. We often speak of wealth, for instance, when we simply mean natural resources or conditions from whence wealth may

* One would have hardly thought it necessary to mention this were it not a fact that people do make most absurd mistakes in these matters. Since delivering this lecture I have observed that in an address by the Duke of Argyll, given a few weeks ago before the University of Edinburgh, he speaks of a large part of the wealth of Great Britain as consisting of investments in the Funds, and he does this after emphatically insisting on the need of employing terms correctly with a clearly defined meaning. Now, how a person with the Duke's analytical mind could assert that an acknowledgment of an obligation to pay forms part of wealth passes my ken. If the interest on the national debt be a part of wealth then all Britain need do is to double her debt in order to increase her wealth proportionately.

{ In conversation lately with a learned LL D. about credits he assumed a position similar to the Duke's, and though it was shown that his assumptions proved an absurdity, namely, that one thing could occupy two or more places at the same time, yet he was of the same opinion still. When will men learn that material wealth has the same properties and qualifications as all other forms of matter?

be evolved, as when we speak of the mineral wealth of our back townships. Here the word wealth is used in a loose sense, it is not really wealth we mean by the term in this connection, what we do mean is only that there are minerals in the earth such as gold and iron from which human effort could produce wealth. So also of fertile land, which is as yet uncultivated, it is not wealth, but it is that from which wealth can be evolved. Wealth then consists of the products of labour.

The term labour is another word which we need to have clearly defined or we shall immediately get into error. The term labour in its strict sense, and we use it in its strict sense in our discussion, includes all human energy, mental or manual, which is exerted in producing wealth. It is of the utmost importance in all reasoning to use words correctly with a clearly defined meaning. Now we sometimes speak of a labouring man in distinction from a mechanic or tradesman, by which it is implied that the energy put forth by a man in digging a ditch or chopping down a tree is labour, while the energy exerted by the mechanic or tradesmen is in some sense not labour. Again, I notice in the constitution of the Knights of Labour you exclude bankers from membership, classing them with some others whom you rightly exclude. Now the legitimate and proper work of a banker * comes under the term labour as truly as the work of a carpenter. His proper work gives value to things, *i. e.* produces wealth, as truly as the work of a polisher of a piece of furniture makes it of more value.

Part of the proper work of a banker is to facilitate the exchange of commodities between different parts of the country and between one country and another. He may use the power which the command of large capital gives him like a club in

* I instance a banker's work as coming under the term labour in its economic sense, because it seems in the mind of many to be more remote than that of most others in its connection with the production of wealth.

the hands of a highwayman to rob others, but a carpenter could also use his hammer on the skull of a traveller to rob him. I will admit that the banker oftener acts the part of a highwayman than the carpenter, and it is a pity we cannot frame laws to punish him as effectively, but this is not the work of a banker any more than the other is the work of the carpenter. In an advanced stage of society trade and commerce are necessary factors in the production of wealth. The merchant, trader and banker by their work give a value to commodities which they otherwise would not have, as truly as does the artizan by his labour in turning a piece of furniture or in designing a plough. You can see this from the fact that if trade and commerce were suspended altogether for one year the value of nearly everything which goes to make up the wealth of a nation would decrease immensely, such as factories, mills, machinery, the products of the forge and the loom, &c. This shows that those employed in trade and commerce are factors in the production of wealth, and their efforts come under the term labour as truly as the efforts of the man who saws wood. The term labour then includes all human effort which is exerted in producing wealth. The work of one who designs a ship, as well as of the one who builds it, is labour. The work of the one who invents the machine, as well as the work of the one who uses it. The work of the one who makes the engine as well as the work of the one who mines the ore from which it is made. The work of the mechanic and the work of the tradesman. The work of the scientist and the work of the teacher. The work of the architect and the builder. The work of the navigator or of the sailor before the mast, in fact all the active operations of life which relate to the production of wealth, come under the term labour. *

* The utmost confusion of thought arises from some divisions of labour claiming credit for the production of wealth to the exclusion of other classes of labour. This claim is tacitly if not expressly admitted in the course taken by so-called labour commissions, &c. Now, the foot cannot say to the hand I have no need of you, or the eye to the ear, I have no need of you. Such arbitrary divorce will vitiate all reasoning on this subject.

Now as to Capital. It is most important to clearly understand what this term includes and excludes. The incorrect use of this word capital gives rise to more mistakes than enough. Capital is a part of wealth. It is that part of wealth which is being used with labour in producing more wealth. Thus capital would include factories, warehouses and their contents, but it would exclude private dwellings and their furnishings in use by the owners. It would include the cabinet maker's stock in his shop, but it would exclude the furniture he is himself using at home. It would include merchant ships but it would exclude pleasure yachts, in use as such by their owners. It would include the livery man's horses and stables but would exclude the horses and stables of the banker, using them simply for his own pleasure and gratification. It would include railways, machinery and implements of all kinds, but it would exclude all that part of wealth which is being used on ourselves for our pleasure, ease or the gratification of our desires, in other words all those things generally which have passed into the hands of those who are consuming them on themselves, cease to be capital. Capital then is that part of wealth which is being employed with labour in production.

Not to weary you with definition there is just one word more which we need to draw your attention to, that is the term Wages. Wages is the return or pay for work done. Salary fees, &c. are other names for the same thing. Wages in the simplest form is the direct product of labour, as when I plant a tree I get the fruit; when I dig a well I get the water. Wages are paid from the products of labour. When the Indian goes hunting he gets the game, his wages being the direct product of his labour. But in an advanced stage of society wages are not, of course, paid in kind, that is by the things produced, but by an equivalent, say in money or food. Here I may point out one of the most fatal errors into which people fall and which has, and is giving rise to no end of mischief, it is the idea that the employment of labour depends upon capi-

of labour
er classes
ne course
ot say to
need of
ect.

al, whereas the very reverse is the truth. Capital depends upon the employment of labour, for no capital can exist until labour is first exerted. It is labour which first called capital into existence, and labour maintains it in existence. Even learned writers on Political Economy speak of capital as the store or fund from whence wages are paid, and would draw the conclusion that if labour increases in a greater ratio than capital, wages must fall, than which nothing is more absurd. For though capital is drawn upon in the payment of wages as the work progresses, yet in fact such wages are not paid out of capital at all so as to diminish it. Capital is increased by the products of labour for which wages is paid. If it were true, as some contend, that wages are paid from capital, then the more labour is employed the more capital would diminish, whereas every one knows that the very reverse is the fact. The employment of labour increases capital and it is the only way it can be increased. All increase of capital must be eventually come from labour. Of course there are exceptional cases where the products of labour prove a failure, as in the construction of a machine which wont work, or in making things nobody wants. In such misadventures capital is consumed on labour, but these are only exceptional cases. The rule is, the products of labour yield a profit to capital and wages are paid from the products of labour through capital.

The question before us is, how can labour be secured the opportunity to produce and be assured of a just return of its products? We have dwelt thus long, at the risk of trying your patience, in defining the terms Wealth, Capital, Labour and Wages, because on a correct understanding of what these embrace and the relations of one to the other, and the relation of all four to land depends the solution of the problem of the unequal distribution of wealth. By the expression unequal distribution of wealth, it is not implied that each man in the country ought to have an equal part of all the wealth, but that each man ought to be secured in the ownership of a just pro-

the dependence is mutual & labour cannot get for without capital
Wages must be advanced from previous capital even though interest is here reckoned with

portion of what his efforts and exertions produce. It is not just that one man should sow and another reap, that one should plant a vineyard and another eat the fruit thereof. But we all know this to be too true, that this is lamentably the case to a vast extent in society as at present constituted. Men labour and others appropriate to themselves the fruits of their labour, without a just equivalent. Modern civilization is not afflicted with marauding hordes and midnight incursions of murdering bandits, but the same evil prevails in a more insidious and even more dangerous form, and in our day of grace men are being robbed and enslaved, aye, and murdered too, by thousands, and that under the very banner of the cross by those who bear the name Christian. We may be ignorant of what we are doing, perhaps not one in ten thousand recognizes the wrong which leads up to the great injustice or they would shrink from it in horror, but the evil prevails all the same. There is that at the basis of society which we, through habit, training and education, regard as quite right and proper, but which I believe to be in direct antagonism to natural laws. Such as one born and bred a Mahomedan considers polygamy right, or one living in a community where chattel slavery prevails thinks that just; God's eternal laws of justice and right are being daily broken under the sanction of the laws of Christian lands, and men know it not, though the alarming results of breaking these laws stand hideously before our eyes.

Looking at the want, misery, disease and death prevailing throughout the world, especially in the great centres of population in the old world, Malthus, a political economist, who died the beginning of this century, deduced the doctrine that population presses upon the means of subsistence, that is, that the people in the world increase in a greater ratio than the means to sustain them in existence increases. This is called the Malthusian doctrine of population, and was accepted almost universally until very lately, and is the prevailing opinion now. I believe this doctrine not only to be contrary to fact

but that it is a calumny on the goodness of the Almighty. If true, immortal beings are brought into existence and placed on this earth without the possibility of them being able to procure what is necessary to keep them alive. The necessary deductions from such a doctrine are most appalling and would make it appear that wars, disease and pestilence are blessings to keep down population, to prevent men from turning cannibals and eating one another. Indeed such a doctrine would fully justify the recommendation made by Dean Swift for the relief of Ireland, namely, "that one hundred thousand Irish babies should be served up annually for the dinners of the London nobility."

In opposition to the Malthusian doctrine we know it for a fact that within recent years production of all those things which men need or desire has increased in a far greater ratio than population has increased, and were it not for the injustice and unrighteousness which is interwoven in the warp and woof of society as at present constituted, there ought to be more for each and all than there was fifty years ago when the population was many millions less than it is now. If civilization be not arrested, of which indeed now there is imminent danger, there does not appear to be the slightest cause to fear that the means of subsistence will fall short for a population many times greater than at present existing on earth. Indeed there is every reason to believe that population might increase to almost any conceivable extent beyond what it is, and yet there be enough and to spare for all were it not for maladjustment in our social system. *

Man is not like a sheep or an ox. Before the genius and skill of man this earth seems to be like some vast store-house out of which to supply his wants. Working in one chamber of this store-house no sooner does he begin to fear that it is about to be exhausted than, lo! this chamber opens out into two other chambers richer than the first and filled to the overflow. Look at the matter of light alone, what science has

such deductions not necessary

*population pressure is
your concern
in the statement of George*

reve
ligh
ligh
ligh
com
hyd
we
whi
to f
furn
ear
ava
incr

I
idea
wan
amo
the
wou
it w
wh
not
wor
and

T
nec
wh
rig
pos
of
tha
it
rob
on
of

revealed. But a few years ago we had but tallow and oil for lighting; now all the oil and tallow in the world would scarcely light London alone as it is now lighted. We found a better light in coal gas, later we get still more abundant light by decomposing water and petroleum and uniting the carbon and hydrogen thus obtained, as we are now doing in Belleville, or we take the lightning from the clouds to light our streets, ² which no mortal a century ago ever dreamt we could use. As to food supply some one has estimated that the sea alone would furnish food for far more than all the inhabitants now on the earth, and if it were necessary we could readily find means to avail ourselves of this supply. So much then for population increasing beyond the means of subsistence.

It is hardly necessary for me to refer to certain chimerical ideas of ignorant persons who would seek to cure the evils of want and poverty by dividing up all the wealth of the world among each of its inhabitants. Were it possible to divide all the wealth in equal proportion among the whole people, society would be no better off than it is now, indeed it is certain that it would be a great deal worse of. Were you to *force* those who produce much to share with those who produce less or not at all, you would stop all advancement, and men and women everywhere would soon be wearing simply a blanket and living in mud huts.

To insure the stability and well being of Society it is a prime necessity to secure to the individual the personal possession of what he rightfully owns. If we admit in the least degree a *what is the* right to appropriate what belongs to another because he may possess great wealth, we would upset a necessary foundation of all social order. But while it is a duty of society to provide that the rich man be not robbed of his wealth, much more is it a duty of society to provide and see that the poor man is not robbed of the products of his labour. There are many laws on our statute books, some of them professedly in the interests of the poor, which actually give more power to the rich than

their riches naturally give them. There is a power which wealth brings which is natural and right, we do not propose to detract from or interfere with this. But we protest most emphatically that the State has no right whatever to give to wealth more power than it naturally possesses. What is needed in the State is to secure to every man a just return for his labour,—secure him in the possession of what he rightfully owns and has justly come by. Genius, skill and energy are developed among men by the desire to reap the reward which these bring,—the hope of enjoying the possession and use of what these produce. In proportion as you deprive men of security in reaping the just reward of their labour, the result is one of two things, there will arise either apathy, laziness and listlessness, or else there will be a feverish, restless anxiety to seize and retain wealth for personal security against want. This is what we find, in fact, to be the case owing to the maladjustment of society through which energy, worth and skill are not assured of their just reward. On the one hand there is the vast multitude who by long experience in toil have almost ceased to hope and who settle down to a fixed routine in apathy and indifference. On the other hand there are others who have their minds warped by anxious care, and a fear of want, and who constantly strive in eager restlessness and worry to grasp, justly or unjustly, what they can. The fear of want is the prime cause of the feverish and unmerciful striving for riches which is so painfully manifest everywhere. This fear is begotten of uncertainty arising from a disordered state of society. It is the bounden duty of everyone to seek out the cause of the trouble and to strive with all his might to remove it, though it be found necessary to strike at and uproot the very foundation of our present social superstructure.

It is easy to make laws to protect the rich against the poor, but it is not so easy to make laws to protect the poor against the rich. But because it is more difficult shall we neglect it? Are we not rather in duty bound to give more thought to the

Population pressure...
 wealth No. 1.

mat
 sent
 thei
 Sav
 righ
 long
 and
 grea
 sanc
 first
 stag
 and
 Too
 soci
 ofte
 plat
 mor
 law
 C
 grea
 squ
 late
 yea
 sou
 *
 and
 judg
 shee
 and
 Thi
 dan
 is h
 vat
 disc
 dar
 or
 whi
 dar
 ren

matter because it is difficult? Ought not every feeling and sentiment of humanity impel us to help the weak maintain their rights against the strong? The great Teacher, the Saviour of men, came to this world to establish a kingdom of righteousness, but this kingdom can never be established as long as injustice and oppression prevail and are countenanced and abetted by those who profess to be Christians. Is it not greater folly than that of the man who built his house on the sand for us to attempt to build the top story of the house first, in the air? It is folly to expect to realize the advanced stage, the high ideal of Christian society of pure benevolence and good will on a foundation of injustice and wrong.* Too often we, like those Pharisees of old, shirk our duty to society under the most shallow pretexts, we are actively and often intolerantly engaged about the washing of cups and platters, or dealing with the foibles of men when not engaged in morbid introspection, and neglect the weightier matters of the law.

On looking at the appalling condition of millions in the great centres both of the old and new world, on the poverty squalor and wretchedness, men, women and children working late and early, from Monday morning to Saturday night, from year's end to year's end, and yet scarcely able to keep body and soul together, driven often in desperation to sell their honour,

* Justice and judgment, we are told, are the habitation of God's throne, and for us ever to realize the divine ideal of human society, justice and judgment must be the basis on which the superstructure is built. The sheer Egoism of the popular religionist, so universal, is the veriest folly and diametrically opposed to the principles laid down by the Great Teacher. This religionism which prevails to-day, instead of saving the world, is damning the world as fast as it can. It does not avail to say that the truth is held, if it is held in unrighteousness. The sight of this is what is aggravating the masses in the old and new world to frenzy and making them discard all religion. Shall any of us as Christians while proffering alms, dare to call it charity, while we as constituent members of the State neglect or refuse to urge that the State remove the injustice in the social compact which causes the poverty and want? Shall we as citizens of the State dare to mock the Infinite Goodness by professing to be generous while we remain unjust?

and their virtue for a piece of bread, or drown their misery in the gin palace. Looking on this in our self complacency, and to justify ourselves we attribute this direful condition to providence, vice and wickedness of the poor,—to excuse ourselves we point with pharisaic pride to the wicked hearts of these people as the cause, not knowing or seemingly caring to know that poverty and destitution is the cause of wickedness being more flagrant among the poor than among the rich. Would it not be better if we exhibited more of the spirit of that divine, who, on seeing a criminal pass to execution, said there goes Joseph Baxter but for the grace of God, and exclaim with him on beholding this vice and degradation, there go I but for my comfortable circumstances and environments.

Within recent years the whole industrial system of the world has become entirely revolutionized by the application of the power of steam and other modern inventions, and small trades and industries have been supplanted by large factories which for the most part gravitate to great cities. The means of producing wealth has progressed at a marvellous rate, and the total sum of wealth produced in one year now is many times more than it was but a short time ago, and yet poverty increases among the producing classes. The rich are becoming richer and the poor poorer. How is it? Some people attribute the trouble to the introduction of machinery. But it is altogether an error to suppose that the use of machinery cuts off from the worker the means of earning a livelihood. It is a prejudice which appears to retain its hold on the multitude that the employment of machinery deprives the labourer of means of earning his bread. But like many other prejudices it has no foundation in fact, nothing can be more contrary to fact. As far as the use of machinery is concerned it gives increased facilities for earning wages, inasmuch as the production of wealth is increased manifold by the introduction of machinery, there ought necessarily to be more wealth for each and all. And through these improved means for more rapid and easy

production each and all would have more of the good things of life with more leisure and comfort and more time for moral and physical improvement but for causes which will appear more fully as we proceed in our enquiry. It is a contradiction in terms to assert that poverty increases on account of the improved means of production. It is as absurd as to say that farmers would become poorer if they discovered and employed means to make their land bear twice the yield of grain with half the work formerly needed.

One great hindrance to the just distribution of wealth is the centralizing of capital in carrying on modern industries. The concentration of capital gives an immense power into the hands of its possessors which is too often exercised unjustly to extort labour for an inadequate recompense. It is not, however, capital which is to blame, for some capital is needed to carry on all but the most primitive and simple work. For example, did an individual want to build a boat by his own labour which would take him a year to accomplish, it would be necessary for him to save up food, &c., to sustain him for that year. This would be to him his capital without which he could not build the boat, as he could not live on chips and shavings while it was making. But to build a single boat like the Umbria or Etruria, on which I crossed the ocean last winter, it would need a capital, that is food, clothing, &c., or their equivalents, equal to maintaining five thousand men for one year, or until the ship is built, and can be used as capital again with labour to produce more wealth, in carrying freight and passengers across the sea, and so on to build a factory and equip it with plant and machinery it requires a large amount of the products of labour to be saved up. Thus it is with nearly all forms of industry at the present day, it requires an immense amount of the stored up products of labour to sustain labour while it is further producing. One result of this is that it becomes more and more difficult for the worker to command his just share of the products of his work. Indeed, it is often difficult, if not

*Carlyle's previous
position **

Ed.

impossible before hand, for either the capitalist or the worker to tell what will be his just share.

All the more important industries are rapidly developing into huge concerns, and these, on account of the greater cheapness with which they produce, crush out the smaller ones. And so the work goes on, capital joins partnership with capital, joint stock companies are formed, combinations entered into and trusts made for raising the price of commodities to the consumer and keeping down the wages of labour. There are but few industries to-day which can be carried on profitably on a small scale. The larger ones eat up the smaller ones, and they in turn are being swallowed up by still larger concerns.

Now the wealth which is necessary to carry on these vast operations is constantly centralizing more and more in the hands of a comparatively few men, the primary cause of which will appear later. The further this goes on the more power is gained by capitalists to control and command labour and to dictate the wages labour shall get, and so force labour to the lowest point in wages that labour can subsist on. Wages cannot be driven below the point of subsistence, for that would mean death to the labourers, and so end all opportunity of capital to increase wealth. All wealth, as before shown, is the product of labour, and so if labour cannot get what will sustain it in existence, wealth must perish also. Therefore capital cannot possibly force wages below the point of subsistence.

But arriving at a stage at which wages are brought near to the point of mere subsistence, which is the constant tendency under the present order of things, indeed it has not only the tendency to come to this stage, but in many of the great centres of wealth in Europe it has actually arrived at this stage, where wages are driven to the lowest point of subsistence. In this way a condition of social affairs has actually been brought about which is worse than any form of human slavery that ever existed in any civilized State on the face of the earth. Negro

slaver
altoge
classe
were
labour
ment,
is call

Un
the m
to do
will s
all eve
slaver
and h
ment,
the st
indust
nor h
ever,
no pe
kindly
emple
corpo
some
not v
that
has n
our f
firm
more
with
me tl
from
ally l

slavery with all its horrors had redeeming features which are altogether wanting in the condition of millions of the labouring classes in England and the Continent of Europe. If proof were needed, it is shown conclusively in the result of recent labour investigations being carried on by the British Government, especially in what has been revealed in respect to what is called the Sweating System there.

8
about 40,000
all told.

Under the worst system of slavery it is always the interest of the master that his slaves be healthy and strong in order to do the work expected of them, and thus the slave owner will see that his slaves are well fed and clothed and housed, at all events as well as his horses and cattle. There is also in slavery, generally, some personal relationship between the master and his slaves, and a certain degree of kindly feeling and attachment, even if nothing more than one feels for his dog. But the state of society already arrived at in many great centres of industry is as if there were some great monster, neither beast nor human, without heart or soul, void of any feelings whatever, which moves and controls millions of toilers. There is no personal relationship even as that of master and slave, no kindly feeling to arise between employer and employed. The employer is some impersonal thing, some great company or incorporated association of wealth, which acts and moves like some ponderous inanimate machine, which knows not, or heeds not whom it crushes, mangles and destroys. You may say that men and women have their personal liberty which a slave has not. I tell you it is only freedom in name to millions of our fellow creatures and but a cruel mockery. They are held firm by an iron hand and an arm of steel, more firmly and more galling than any fetters of the slave. I have seen enough with my own eyes in London and other large cities to satisfy me that this is no exaggeration whatever of the evils arising from the centralizing of wealth, and things are working gradually but surely to the same end in America. Though it may

be far from us as yet in Canada, the same causes which bring about this centralizing of wealth are at work in society here.

How to deal with this matter is a subject which ought to engage the thought of every man with a soul. There have been many plans suggested by thoughtful, honest minded men, but too often these have obliquely heaped upon them and their names associated with robbery and spoliation, and that even from the pulpit and from others who ought to know better, to whom we would naturally look to give a helping hand to destroy this kingdom of darkness and deliver the poor out of the hand of the oppressor.

One of the most radical plans proposed to remedy the evil is that of the Socialists, which I consider not only impracticable but retrogressive. The Socialists have a large following of ignorant and foolish fanatics, but it is not fair to take these as the true interpreters of their plan. I believe the leaders of this scheme to be thoroughly honest in their intentions, and that they sincerely desire to ameliorate the condition of men, though I am convinced they are mistaken, and that the means they propose will not accomplish the end. I consider their plan not only impracticable but retrogressive. Their plan is substantially this: That society, that is the State, assume control of all the industries, not only of the postal service, railways and telegraph lines, &c., which have already been assumed by some countries in Europe, but also the more important manufacturing operations, such as mining, ship building, the manufacturing of cotton and woollen fabrics, and of iron, leather, wood and so forth. In short to make society itself the employer of its members,—the State the employer of its citizens, and to distribute the returns from the combined products among each of the workers upon some equitable basis. This plan is simply one of general co-operation under State control and its advocates think that when once fairly started the State will apportion the earnings fairly among all.

which bring
ety here.

h ought to
There have
inded men,
them and
n, and that
o know bet-
elping hand
e poor out

edy the evil
impractica-
following of
ake these as
e leaders of
ntions, and
on of men,
t the means
nsider their
their plan is
assume con-
service, rail-
en assumed
e important
uilding, the
nd of iron,
ty itself the
of its citi-
ed products
asis. This
ate control
started the

It is not necessary here to go into detail or to mention all the objections to this plan, it is sufficient to say that experience shows it to be most difficult to conduct the ordinary affairs of State without corruption and dishonesty, even the municipal affairs of towns and cities cannot be carried on without stealing and jobbery, how much more difficult then, how impossible, indeed, for the State to manage successfully thousands of factories, mines, warehouses, &c. We can conceive of no end of evils of every sort under such a system. But besides if it were possible to honestly carry out these, and the scheme was otherwise successful, it would take away the stimulus of individual enterprise and invention and stop all progress. I am satisfied that this cure would eventually prove worse than the disease, and our last state, under Socialism, would be worse than the first.

Another plan proposed is that of private co-operation, that is for persons engaged in the various trades and industries to join together for the purpose of producing and for distributing. That is, to have co-operative factories and co-operative stores. Each worker would put in his capital or savings, whether it be little or much, or if he has none, he may still enter as a co-operative worker. The profits of the concern to be distributed among all, according to the merits of each and their several abilities, and any who have capital in the concern will receive the interest which fairly belongs to capital, according to the proportion each has invested. This course is perfectly sound and just, and is free from the objections of State-controlled co-operation of the Socialist. This is being tried in some places with much success, but the success is necessarily but partial owing to the concentration of wealth arising from another cause quite outside every system of the employment of productive labour, which cause we will reveal later.

Again some practical and effective measures are being adopted of late years by labour to secure a just return, by combinations called trades' unions. Combinations of workmen in

the several industries are formed with a complete organization for the purpose of regulating the wages they are to receive. This is co-operation in another form and has proved effectual within a limited area in raising wages. 'These trades' unions have undoubtedly been the means of balancing more evenly the share of production which ought to go to labour on the one hand and to capital on the other. Capital cannot go on in producing wealth at all without labour, and labour can do but little in producing wealth without capital. If labour is withdrawn, capital not only fails to develop more wealth, but actually goes to waste. When labour is not employed capital goes to waste very quickly, in factories closed, mills shut down and machinery stopped. Strikes and lock-outs are made at the expense of both labour and capital for the time being, and ought never to be resorted to where they can possibly be avoided. Strikes for wages are only justifiable as a last resort, but unless combinations of labour had this resort they could not accomplish what they are intended for, and which they do accomplish in some degree.

Since trades' unions have become so general and wide spread, embracing nearly all the employees in certain industries, capital is coming to see that profits are not affected by a rise in wages brought about by trades' unions, inasmuch as all in the same line have to raise wages at the same time. If one factory had to raise wages and another in the same line had not to raise wages, then the one which continued to pay the low wages would have the advantage over the others. But when all have to raise together, the manufacturer, if he was not getting more than a fair profit before, simply raises the price of his productions to the consumer. This remedy for the unequal distribution of wealth is, however, at best only partial, and it does not affect the great mass of unorganized labour which crowd the great cities, and these are the greatest sufferers. And further, any one can readily see on but slight reflection that the effect of raising wages to the producers of

one class of commodities is to reduce the wages of the producers of another class of commodities, for if by the rise of wages to those who make iron implements, the price of these implements is increased to others who have to use them, then by so much are the wages of those who have to buy them reduced, not nominally, of course, but relatively, the wage is still say \$2.00, but \$2.00 does not buy as much as before. And if wages were raised all round simultaneously in every field of production, say from \$2.00 to \$4.00 the wage earner would be no better off than before, as \$4.00 would not have any more purchasing power than had the \$2.00 before the universal rise. And so, working on the lines of trades' unions we can see that in proportion as their organizations become general, applying to *all* classes of labour, in just that proportion will they fail in benefitting *any particular* class of labour, and when applied to everyone without exception there arises no benefit to any.

But to hasten on : we have evidently not yet got at the remedy. We cannot dwell here upon the effect of taxes on the products of labour, as they affect wages, nor upon the restrictions to trade imposed by nations through hostile customs tariffs. These have a most important bearing upon the unequal distribution of wealth, but I could not hope even to slightly indicate the bearing of these this evening, for we would need to go into detail utterly beyond the compass of a single lecture. This much, however, I may state, that in those countries where there is the least restrictions upon trade, as in free trade England, as well as in countries where there is the greatest restriction on trade, through so called protective tariffs, as in the United States and Germany, the same threatening evil prevails, namely, the centralizing of the wealth of the country in the hands of a comparatively few. Whatever then may be said pro or con as to the benefits of free trade or protection, so far as experience goes neither appears *fundamentally* to affect the unequal distribution of wealth.

We must look for the cause of the concentration of wealth in the hands of the few in other directions than we have so far looked for it. Before proceeding I will take the opportunity to recall to your mind what was said at the opening of my lecture as to Wealth, Capital, Wages and Labour. Wealth was shown to consist of the products of labour. Capital is that part of wealth which is being used with labour in producing more wealth. Labour embraces all human exertion of every kind put forth in producing wealth. And wages in their simplest form is the direct product of labour, and in the complicated form of modern civilization wages are paid from the products of labour through capital.

So far we have not yet spoken of land, the necessary element in the production of any and all kinds of wealth, but land itself is in no sense the product of labour. By land, in the language of political economy, is meant all that which nature furnishes as the ground-work of human exertion, such as arable soil, building lots, mineral lands, streams and forests and forces of nature. No wealth of any kind, either of the necessities or of the luxuries of life, can be produced without the use of land in some form. Land is as necessary for the production of any and every form of wealth as is the air we breathe necessary to our existence. Land is that from which all wealth is evolved. (It must be remembered that when speaking of land we mean land itself alone, that is all which nature furnishes to the exclusion of everything whatever which man has done to it. And the attention must not be directed exclusively, as most political economists do, to arable land, but to all land, mineral land, wood land, and forces connected with land, and particularly to land in large cities and towns where it has not only the highest speculative value, but also the highest economic value. Also, when we speak of the value of land, it is a value unconnected entirely with any improvement on that particular land. And when we speak of rent we mean simply a rate on this value

apart altogether from any rate on houses or improvements, which in popular phraseology is usually included in the term rent.)

Capital is not to blame for the unequal distribution of wealth, for capital is that part of wealth which is being used with labour in producing. There is no *necessary* conflict between labour and capital which so many vainly imagine, and we must look elsewhere for the cause of the evil. And this brings us to what I am fully convinced is the prime cause of the unequal distribution of wealth, and it is this, that under the sanction of custom and law we allow one class of men to appropriate to themselves a large part of the product of the labour of others without doing anything whatever to earn it either by the employment of capital or labour. I think it can be proved incontrovertibly, without leaving a shadow of doubt, that our present system of the tenure of land is the cause of the evil and that all other causes are merely secondary to this. The cause of the unequal distribution of wealth is the monopoly of land by private individuals. Private individuals are permitted to control land they are not using themselves, and to grow wealthy by taxing others for the use of it by rent in city, town and country. In no other way can be explained the great material progress of the last half century in conjunction at the same time with increasing poverty. All that goes to constitute wealth, both of the necessities and luxuries of life are produced with greater ease and in immensely larger quantities than they were but a short time ago, and yet the vast majority, the producers get less and the small minority get more. And what makes things still worse, the minority not only get more *nominally* but more *relatively* to the increase of production, and that not in any way through superior wisdom, skill, proficiency or energy on the part of those who get the lion's share.

I am well aware that to call in question the justice or validity of what has come in modern times to be accepted without question, will arouse the strongest prejudices of all,

and that self interest, or rather supposed self interest, of individuals will array itself with all its might against a principle which if accepted will disturb their plans. It takes long and patient work to arouse men even to think on the justice or injustice of principles or doctrines which have universally been accepted as right for centuries. *

Although we in America pride ourselves in holding and maintaining social and political views in advance of the Old World, yet I am convinced that in respect to the question of the tenure of land we in Canada and the United States have become more crystalized in error than the people of Great Britain or the Continent of Europe. This may be accounted for by large tracts of land here, still being unoccupied. There are scarcely any persons in England who would attempt to maintain such extreme views as are all but universally held in Canada to-day in regard to the private ownership of land, namely, that a man may hold land in the same sense as personal property to do with it just as he pleases, as chattels. That the people of England have not held such views history shows, and that they do not hold such views now is proved conclusively by recent legislation there in respect to land. The principle expressed by all political parties there in recent legislation flatly contradicts the view that a man has the same right in the ownership of land as he has in the ownership of a house or personal property. The Conservatives, Liberals and Radicals, as represented by Lord Salisbury, Mr. Gladstone and Mr. Chamberlain, and I understand Mr. Parnell, too, consented to the passage of the Lord Ashbourne Act, which provides for the transfer of the ownership of land from the landlord

* There can be no doubt, however, that farmers, mechanics, tradesmen and all others who now own land for the purpose of using it, and not for the purpose of speculating in the value given by progress in society, would be great gainers by the change proposed in land tenure. Could they be led to fully consider and understand the subject in all its bearings, they would heartily support the reform and urge its adoption. A few notes in this connection are appended at the close, in replying to some objections.

to the tenant occupying the land at a price fixed, not by the landlord but by society, through the court which it may appoint. Now I adduce this Ashbourne Act, passed but a year or two ago, not because I favour it, for I am entirely and utterly opposed to it, on the ground that instead of lessening the evils of landlordism it will eventually greatly intensify them by creating ten or a hundred landlords where before there was only one, and small landlords are generally more oppressive tyrants than large ones. I instance this Act merely to show that men are being compelled by the natural sequence of events to abandon errors of custom, which have never been distinctly formulated, as to rights in the ownership of land.

The Act itself is a bad one, and like nine-tenths of the legislation professedly enacted for the benefit of labour, its ultimate effect, if not the object, is to strengthen the grasp that private land owners have on the earnings of labour.

In opposition to the popular opinion as to rights in the private ownership of land, I maintain that this earth is the common heritage of all men, that the child of the poorest peasant has as much natural right to a place here and an opportunity for living as the son of a king. That no man or any number of men have any right whatever to debar the rest from the use of it unless in consideration of a just recompense. This opinion is tacitly admitted, or is to be necessarily inferred as just and true, from the writings of the ablest men who have treated on the subject from Adam Smith down, and how these have not insisted on the necessary deduction therefrom I cannot understand.

How is it that the power now given by law and custom to private persons to exact rent from others for the use of land prevents men from securing a just return for their labours, that is, how does it cause the unequal distribution of wealth?

Take an illustration, say a thousand intelligent men and women having a knowledge of the arts and sciences, were

placed upon an uninhabited island, say the size of England, and they got successfully over the difficulty of sustaining themselves for the first few years, they would then go on developing the resources of the island and wealth would begin to increase. Now, were a hundred of these to lay claim to all the land, and the claim to be admitted by the rest on the grounds of divine right, or superior good looks, or something they had done, or for any consideration whatever, the result would be the same, the result would be that these hundred having all the land divided between them would be able to exact a portion of the products of the labour of all the rest for the use of the land, by what we call rent, for no productions of any kind whatsoever could result from the employment of labour and capital without the use of the land. By and bye factories, mills and warehouses would go up and cities be built, and as progress was made and population increased so would the rent of land increase, and so the more wealthy and populous the island became the more these land owners could take from the workers. In course of time a few hundred feet frontage in one of their cities would be made to yield in rent to the private owner a little fortune, perhaps more of wealth than a hundred men could produce in a year. And so on, as the land became occupied the only limit to what these private owners of the land could exact from all the others would be the limit of wealth produced by them, except what would be necessary for mere subsistence. Thus it may be seen that those who own all the land virtually have the power to control the labour of all the rest.

One reason why matters in a country like Great Britain are not a great deal worse than they are at present is that the land is in the hands of so few persons. If the land were divided up among twice the number of landlords who now hold it, these would be more exacting than the more limited number.

If one man held all the land a very small rent from each of the occupiers of the populous and flourishing island would

yield an immense revenue to this single landlord, enabling him to maintain any amount of grandeur with gorgeous establishments and retinues of attendant flunkies amid luxuries and shining equipage. But if the land was held by ten persons the demand for rent would be greater to satisfy the desires of ten than of one. And so if held by a hundred the demand on the producers would be greater still. Thus we can see that the division of land among a larger number does not remove the difficulty but rather intensifies the evils of landlordism. Small landlords are more exacting than large ones.

The only way to remove the evil under which society now groans as with an intolerable burden is to do away entirely with private ownership, that is to nationalize the land, and then those who use the land, and in proportion as they use it, will pay a tax according to value, to be expended again on themselves in carrying on the government of the State, and for educational purposes, government works and municipal affairs. And a very small part of what now goes to private owners would be necessary for public purposes, even in such a thinly populated country as Canada, to the exclusion of every other form of tax.

As material progress goes on and population increases, just in that proportion do rents rise to a certain point. During a cycle of a few years of prosperity and the rapid development of wealth we arrive at a turning point when labour comes at length to get less and then still less a proportion of what it produces until all who aid in the production of wealth and the prosperity of the community are finally arrested in their efforts and enterprise by the rise of land values or rents. Capitalists who were hitherto employing their capital with labour in productive ways, noticing the rise in land values, withdraw their capital and invest in land, not only for the sake of taking advantage of the present rise, but in expectation of further future rise. A crisis is thus brought about and the industrial world is paralyzed for a time, and hard times prevail for a shorter or

longer period, until wealth seeks employment again as capital with labour in producing. All of us have observed these periods occurring regularly about every seven years, bringing want, misery and distress in their train. These periods are almost invariably preceded by capital being withdrawn from production for purposes of speculating in land values.

We see the tendency everywhere of wealth to seize on land especially in large cities and great centres, but also in agricultural districts. Even in our midst we may learn how much wealth is withdrawn here from productive employment by investing in land, for I am told that a great part of the farms of Prince Edward and Hastings are under mortgage. To the extent these farms are mortgaged the farmer is but a tenant of the mortgagee.

I will illustrate still further how the private ownership of land is the cause of the unequal distribution of wealth, by explaining the law of wages. The law of wages is "as rents rise wages fall." This is an economic law fully recognized as such by all writers on political economy, of every school. It is of as universal application in its sphere, as is the law of gravitation in the sphere matter.

Some who have not studied the subject may not be inclined to assent to this because they think they can see some things that strike them as exceptions. When a balloon goes up in the air instead of falling to the ground, some may think this an exception to the law of gravitation, but we know it is not an exception, for we know that but for the air the balloon would fall to earth as a piece of lead would. To illustrate this law, remember all wealth is the product of labour, and capital is that part of wealth which is being used by and with labour in producing more wealth. Now, how and upon what is this wealth thus produced being distributed? There are just three things upon which alone it can be distributed, namely on Labour, Capital and Land, that is in wages, interest or profit and

rent. Now, as the sum of all the wealth produced in any given time is a fixed quantity, that is, it cannot be more and less at the same time, let the sum of wealth be represented by 100, it is clear if 20 parts go to land there will be 80 parts to divide between labour and capital; if 40 parts go to land there will be but 60 parts to be divided between labour and capital, and so on: as land gets more, capital and labour must get less. Now notice, by adopting the plan proposed of taxing land to the extent of its unearned increment, that is the rent value of the land alone, you will throw back the wealth that goes to land unjustly, to be distributed on labour and capital which had joined together to produce it. Further than this you will readily see by this illustration of the law of wages, how is it that our present system of the private ownership of land impedes and arrests production, in other words stops the employment of labour, periodically, about every seven years, more especially in Canada and the United States, where land is transferred more readily. As the value of land rises and sometime before it reaches the highest point, capital is tempted to withdraw from productive employment, and to invest in land values for a prospective further rise, and thus labour loses the use of capital that is thus withdrawn and fails to get employment until things come again to an equilibrium.

Consider now for a little how value is given to land. If one takes up land say in the North West far from any settlement, there the rent value of the land would be nothing. You build a house and barns and clear the land, still there is no rent value. You want to move away and some one comes along who is willing to take your place. What you would get from him for the farm would be just the value of your improvements and no more, because there is other land just as good unoccupied adjacent that he may have for nothing. Well then, while you are alone away on the prairie the only value your farm has consists in the products of your own labour. But after a hundred others have settled in the neighbourhood and improved

their farms, and a blacksmith, and a carpenter, and other mechanics, a schoolmaster and tradesman have come in, a value is given to your land which it did not before have, given by the labour of these others, in other words a rent value apart from your improvements. Now this rent value which is thus given to the hundred farms by the labour of all is the common property of all and not of any individual. And the community, as it finds need for public purposes, for schools and roads and the administration of justice, may justly take the rent which all have combined to earn to pay for these things. And this is *just* what is meant and *all* that is meant by doing away, as is proposed, with the private ownership of land.

According as population and wealth increases the value of land increases. Land is of more value in London than in Toronto ; it is of more value in Toronto than in Belleville . it is of more value in Belleville than ten miles out, and it is of more value ten miles out than the same kind of land on Lake Nipissing. An acre of land in the centre of London or New York would probably be of more value than three or four hundred acres upon which Belleville is built, and an acre of land on Front Street would be worth several hundred acres out in Thurlow or Sidney. Now what is it which makes this difference in the value of land? It is not anything in the land itself, for we are supposing the same kind of land, nor is it because of what the owner has done to it. The owner may never have set foot on it, or even seen it, he may be living at the other end of the earth, and yet the land increases in value. He may have paid little for it, or he may have got it for nothing, and now it is worth a million or ten millions. How is this? It is simply the association of men together there and their labours have given this value to the land. And as the work of production goes on the value of land continues to rise. And what takes place? The owner of the land appropriates to himself this increase of value without ever having touched his little finger to the wheel, or done the slightest

thing whatever to earn it. He may be a thousand miles off lolling on a velvet couch, sipping wine or tasting dainty dishes, or for that matter up in a balloon.

Now on what principle of justice revealed from heaven or discovered on earth can this appropriation of the product of the labours of others without giving a just equivalent, be defended? It can only be defended upon accepting an utterly mistaken idea as to the right possessed by individuals in the ownership of land, an idea though hoary with time yet having no support whatever either in nature or revelation. The only claim in the very nature of things which individual men can rightfully set up to land is the right to use it, and not as individuals to exact payment from others for the use of it.

You may ask if it be admitted that the right to use the land belongs to all men alike, how can you protect the individual in the use of any particular land, when he builds a house, erects a factory or cultivates a farm, how are you to protect him in his holding? I answer precisely, as you do now. Society, that is the State, will secure him on just conditions, so that he may hold possession as long as he likes, of a lot, or an acre, or a thousand acres if he wish, and also enable him to transfer his right in improvements to another person when he chooses, and how he chooses, just as you can now under the present system of land tenure.

The changed proposed affects the present status relating to the ownership of land only in one particular, and that is, that the individual shall not be allowed to take to himself, what belongs to others, namely, the increase of the rent value of the land itself, which he himself has not earned, or done anything whatever towards earning, but which results from the association of men and their combined labors. This unearned increment in the value of land would be taken as a yearly land tax to pay all expenses connected with State and Municipal affairs. The increase in the value of land would thus be used by, and

for the people who cause the increase instead of being used as it now is, by and for individuals who have not created the value. A just and equitable arrangement like this, would enable us to dispense with all other kind of taxes whatsoever. It would enable us to do away with that dark and hidden system of indirect taxes, such as that collected by customs and excise duties, which are the occasion of extravagance in government, while they restrict the productions of labour to an alarming extent, and cause many social evils. This single land tax would do away with the need of taxing any product of labour whatever, there would be no tax on any improvements on farms, or any tax on houses, factories, furniture warehouses, machinery, tools on anything else which is the product of labour, there would be then nothing in the way of taxes to restrict production, there would be a full and complete return to labour and capital of what they have combined to produce.

A very small part of this unearned increment, (which truly belongs to the public, but which now goes to private individuals), would more than suffice to meet and cover all expenses of government,—educational purposes, public works, and municipal needs. This kind of tax would be perfectly fair and just for all, and would fall evenly on all. In any given locality, be it city, town, village or country, the needs of the community in each place will always be the measure of the tax to be levied there. In thickly populated, wealthy cities it will be highest, in a town not so high, in a village less still, and in country places it will be very low. The villager or farmer may think the tax a high one, because he will know exactly what he is paying, though actually it will be considerably less than what he is paying now. As it is, very few indeed know how they are taxed, and not one of us knows the amount he is taxed.

Of course it is quite impossible to carry you through all the stages of the argument in a single lecture or even a dozen lectures, but the question is before you for your most serious

thou
beir
that
and
sion
the
the
not
secu
All
iota
very
to th
fesse
insti
wors

TH
prive
some
not b
right
ducts
socie
now
it pre
now

TH
of, th
subve
enfor
with
This
ducts

So

thought. The most momentous concerns affecting the well-being of society are bound up in this matter. I am persuaded that any one capable of consecutive thought, who will candidly and honestly consider the question, must come to the conclusion that the control by private individuals of land values is the prime cause of the unequal distribution of wealth. That the private ownership of land is the chief cause why men are not secured a just return for their labours. Labour never can secure a just return under the present system of land tenure. All the laws which can possibly be enacted will not avail one iota towards removing the evil while this remains, which, at the very foundation of our social system, is in direct antagonism to the natural rights of man. Most of the laws enacted professedly in the interest of labour, and those enacted at the instigation of labour, instead of doing any good make matters worse, as most of them conflict with natural rights.

This change we propose in the tenure of land will not deprive any man of a single right, unless you claim that there are some men born with the right to take from others what does not belong to them. This proposed land reform restores the right that every man naturally has of a just return of the products of his own labour, and more than that it is the only way society can restore him that right of which the majority are now deprived. To speak of this as spoliation is utter absurdity, it prevents spoliation, it is the only antidote to the spoliation now going on under sanction of law and custom.

This land reform is antagonistic to, it is the very antithesis of, the bad principles of Communism and Socialism which are subversive of the well being of society. Communism would enforce a community of goods, that is, compel men to part with a portion of what they have labored for, to give to others. This that we propose will tend to secure to every man the products of his own labour to do freely with as he chooses.

Socialism would compel state co-operation, depriving the

individual of free action, and by making an arbitrary distribution of the combined products of labour would remove all stimulus to progress. This land reform will give every man an opportunity to employ his labour as a freeman and to retain what he chooses of the products of his own labour, and thus stimulate all to the utmost progress. *

As has been shown an enormous part of the products of labour now goes to private owners of land in cities and towns and agricultural districts as well. I noticed in a paper some time ago an estimate of the rent value of land in Great Britain, which stated that capitalized, it would amount to upwards of twenty-five thousand million dollars, this would represent a yearly rent of about one thousand million dollars. As wealth and population increases the proportion of wealth which is absorbed by land increases. The greater and more rapid the progress in production, the more firmly does this hindrance press on the wheels of progress, and periodically, nearly brings production to a stand still. It turns the prosperity of a nation, which ought to prove a blessing, into a curse. How truly it is written, "The prosperity of fools shall destroy them."

The application of this simple and manifestly just principle of nationalizing the land would revolutionize our whole social

* It is to be deplored that the trend of legislation on both sides of the Atlantic is becoming more and more Socialistic, and, paradoxical as it may appear, such legislation is often urged most strongly by those who are loudest in formal protest against Socialism. A prevailing idea seems to be to enact laws to benefit the condition of one class at the expense of other classes, proceeding on the principle that the exercise of charity can be enforced by legal sanctions, which from the stand point of Christian ethics seems to me to be a contradiction in terms. What is needed of the State, and is really its true function, is that the State secure a condition of affairs in accord with right and justice, and thus give opportunity for the exercise of charity, or benevolence, freely, as only it can be exercised, by individual citizens who constitute the State.

That meddlesome legislation so prevalent, though sometimes prompted by good intentions, is generally urged merely to gratify popular whim. The immediate result may appear beneficial while the ultimate effects on society are most pernicious. One Act forms a precedent for another, and so these multiply, to work confusion, embarrassment and injustice in the State.

and industrial system. The seeming conflict of capital and labour would be greatly mitigated if not wholly removed. Capital and labour could then be safely left to settle between themselves inequalities which may arise from time to time. All the combinations and trusts formed by capital to lower wages or raise prices will only avail to produce a temporary and local disturbance of the equilibrium of what ought to go to wages on the one hand and to capital as interest or assurance on the other. When surplus wealth loses its hold upon land which it now has, and which of all things it can alone hold on by, fixed and firm, it must then seek employment, if it is to be retained, as capital with labour in the production of more wealth. Any combined movement either on the part of labour on the one hand or capital on the other will produce merely an economic disturbance which might be likened to the waves of the sea, though the sea may never come to the perfect rest of a level plane, yet the wave and depression must constantly change places and always tend to a level surface.

The unjust principle in the social compact which permits wealth to seize on land and appropriate to itself the constantly increasing value which advancing population and progress gives it, is necessarily to arrest progress and throw the whole social system into disorder. The natural order is so thoroughly reversed as to be in effect like a man standing on his head instead of his feet. The various parts of the body cannot perform their functions aright nor will the skill of any physician help him in that position. Stand him on his feet and the physician may then treat successfully functional disorders.

Remove this rock to which surplus wealth becomes moored, blocking the free passage of our ship of state and crowding it on the shoals and we shall then have clear sailing. This will put an end to all speculation in land values, as no one can possibly make gain out of land which he does not intend to use. It will then become impossible for immense wealth to

become permanently centralized in the hands of such as the Duke of Westminster or Bedford, or the Astors or Vanderbilts, &c. When land values cease to be unjustly appropriated by individuals, the greatest wealth will soon consume away unless employed as capital with labour in productive ways. *

There will be nothing, however, to prevent the rich man occupying all the land he wishes, he may have a thousand acres or ten thousand acres for that matter, and enjoy undisturbed his lawn and drives and deer parks, only he shall not take to himself the value given to it by the work of the rest of the community. The value which may hereafter accrue to the land by the increase of population and the labour of the people will belong to and be spent on those who have given it that value.

Time will not permit of even a reference to the vast multi-

* It is not the accumulation of wealth by individuals that is objected to, but the social conditions which give opportunity for *unjust* accumulation. Were it not for persistent misrepresentations, which the writer has heard since delivering this lecture, it would seem quite superfluous to re-assert that we do not in any way declaim against the acquisition of wealth, or of great wealth, by individuals. On the contrary the very object in view is to bring about a state of affairs in Society under which every man shall be secure in the undisturbed possession of what he has justly come by and rightfully owns, whether it be little or much. What we do object to, (which has been made sufficiently clear for all except such as do not want to see,) is the opportunity of acquiring wealth by means of an *unjust condition in the social compact*, and of keeping it fixed by the same cause. A certain number of persons may become even millionaires under *just* principles prevailing in society, on account of extra skill and sagacity in trade and commerce and by a fortunate concurrence of events, or through just monopolies, such as those secured by the registry of patents for inventions, or by copyrights, &c. But, did the scope of this paper permit, it could readily be shown that the vast wealth held by the majority of the immensely wealthy of to-day has been accumulated directly or indirectly through the possession or control of land values by railway magnates, speculators and others, and also in trade and commerce through the opportunity given by economic disturbances and hindrances arising from taxing the products of labour by customs duties and otherwise, instead of taxing land values for the purposes for which taxes need to be levied. When it is remembered that the entire abolition of all kinds of taxes whatsoever on the products of labour is the complement of what is proposed as to land values, it will appear how far reaching is this reform. It extends in almost infinite ramifications to all occupations and into every department of industry.

tude of benefits which would result to society on every hand from this change in the tenure of land. This change in land tenure would not only decentralize wealth as to individual possession, it would decentralize it as to locality. It would cause the large cities to spread out more over the country, and we would not see as we do now, masses of humanity huddled together in narrow streets and packed in houses tier over tier. On the other hand we would see population brought nearer together in the country and there would not be wide tracts of productive land unoccupied separating farmers and settlers from one another. The same cause will separate population where it is unhealthily crowded, and will bring it together where it is unnaturally separated.

Inasmuch as land values rise the highest where the population is the densest there will be no inducements whatever for wealth to fix itself in the large cities for the sake of the rise, for nothing can then be made out of the rise. It will thus lead to the diffusion of population and spread of wealth more evenly throughout the country, a consummation which every social reformer and philanthropist would hail as the greatest boon to society.

To conclude, sad experience has taught us that to prove the justice of a cause does not avail to secure its acceptance among men, indeed no great reform has ever been effected in the world without at first odium and obloquy being heaped upon it, and many a hard name associated with it, and we may expect the same for this. *

There are difficulties in the way I admit, though not so great as many suppose, but even if greater, these ought not to

* Witness the treatment measured out to Henry George, whose work, "Progress and Poverty," no one can read without being impressed with the author's keen sense of justice and right, and with the fairness and honesty with which he presents his subject. Yet a portion of the press and of the pulpit vie with each other in heaping odium upon him, and go about to crucify him, seeking to lift him up between two thieves, striving to identify him with them. They will not themselves hear what he has to say and do their utmost to prevent others.

make us turn aside from the right, or from trying to remove so great an injustice lying at the very foundation of our social system.

Though society has for ages thought it right to permit one set of men to take from others what does not belong to them, is it any reason that they are forever to be allowed to do so when it is made clear that it is wrong? The change from what is wrong to what is right may entail loss on some of us, but this surely ought not to deter us, as Christians, from uprooting the evil which is the cause of injustice and oppression to millions of our fellow men and which is becoming more and more intensified as population increases.

There are difficulties, as was said, but these difficulties are not insurmountable, as I can conceive no difficulty in the path of righteousness to be insurmountable by man, whom God has made in His own likeness to tread that path. At all events we may rest assured in certainty of this, that as sure as there is an Almighty power above us who will have His laws obeyed by moral agents or inflict the consequences of disobedience, thus sure must this evil be met by men either on lines of justice and righteousness which will lead to peace, prosperity and happiness, or on lines which are fast converging to bloodshed, anarchy and ruin.

"Though the mills of God grind slowly, yet they grind exceeding small,
Though with patience He stands waiting, with exactness grinds He all."

social
mit
thin
now
sinc
con
step
out
clus
that
earl
The
exc
pub
the

T
mor
will
suff
ers
usin
The
valu
com

E
all
incr

A Few Words as to Objections.

Many persons, though admitting it to be an injustice in the social compact for one man or a number of men to be permitted to exact payment from others for the use of land, yet think that the change from wrong to right cannot be effected now, without inflicting an injustice in another direction. That since society has started on the wrong road it must forever continue therein, that we cannot turn back now and retrace our steps without further trampling on the rights of men. Without due thought and consideration people jump to the conclusion that all land owners would be wronged by the change, that all those who have parted with what they have justly earned or come by, in exchange for land values will be spoiled. They conclude that as society in the past has sanctioned the exchange of personal property for the individual ownership of public property, it would virtually be robbery now to repeal the law relating to the private ownership of land.

This may seem to be the case at first sight and until we look more closely into what is proposed. On closer examination it will be found that the greater *number* of land owners will not suffer any loss whatever, that in fact the majority of land owners in Canada and the United States, that is those who are using the land they own, would be gainers by the change. They only would lose who trade in, and grow wealthy on land values, and these would lose not unjustly nor to the extent commonly supposed.

But let it be taken for granted, for the sake of argument, that all land owners would lose severely by diverting the unearned increment in the value of land to public purposes. Then

we shall have to weigh the loss which would fall upon one class by *removing* the injustice in the social compact, and the loss and injury which now rest upon the other class by *retaining* the injustice, and choose the least of two evils. Now let us remember the former bear but a small proportion in point of numbers to the latter, while, too, the latter are constantly increasing and the others are not, but rather diminishing. It is the many who suffer loss by retaining the present status, it is the few who will lose by the change. And again those few are better able to sustain a loss than those who are now compelled to endure loss; and further, the loss would fall once and for all on the former, and that not to crush, while with the latter the loss that is endured is perpetual and is increasing in intensity from year to year and from generation to generation, and is always extending to an increasingly widening number. This loss and injury caused by the private ownership of land is hurtful to land owners themselves in common with the rest of mankind. Besides degrading the moral condition of society, it is impeding production, it is hindering progress, it is staying development and must eventually in the necessary sequence of events destroy civilization itself. It was the chief cause in the overthrow of mighty nations in the past, and it will eventually destroy modern society, though we may now boast of a strength and permanency superior to all who have gone before. The light of Christianity will not save us, unless this light is allowed to shine and its principles applied to these social affairs. The Divine Teacher wills to save us, His precepts applied to social order can save effectually (for Christianity pre-supposes the maintenance of justice between man and man,) but they who are called to be deliverers stand aloof, choosing rather to be called the son of Pharaoh's daughter, than lead the people forth from a cruel bondage.

Then, even on the supposition that landlords would suffer all the loss that is assumed and even much more, can there be

any
loss
bee
V
pat
tha
mo
dim
T
suff
will
ture
his
losin
thar
thes
the
taxe
This
wou
wou
ther
or in
labor
lect
coll
swa
bein
pen
was
will
be t
paid
whe
ther

any hesitation as to what course we ought to take? But the loss to landlords will be, after all, nothing of the kind that has been assumed.

When we come to look into the matter thoroughly and patiently investigate what would actually occur, we shall find that we have raised mountains of difficulties which for the most part are purely imaginary, and where they are real, will diminish as we approach them.

The greater *number* of the landlords themselves would not suffer loss at all, none of those who are using their own land will lose anything. The mechanic on his plot, the manufacturer on his yard and premises, the merchant or tradesman on his site, and the farmer on his farm, and so forth, instead of losing anything by the change in land tenure, will be better off than before, inasmuch as the economic rent that each of these will have to pay, under the new order, for the land, into the public chest, will amount to considerably less than the taxes he now pays in other ways to the State and municipality. This land rent being used for State and municipal purposes would do away with all other kinds of tax whatsoever. It would do away with that mystery of iniquity indirect taxes, there would be no customs or excise duties, no tax on houses or implements or tools, plant or machinery or any product of labour in any form. This single tax on land also could be collected at much less expense than the public revenue is now collected, being more simple it would not require such a swarm of hungry officials. The exact amount each is paying being known, the people will look more sharply after the expenditure of their money and thus largely check the reckless waste and extravagance which now prevails in the State. It will thus be readily seen that all who are using their land will be the gainers by the change. It will not matter what these paid for the land at first when they came into possession; whether it be little or much, there will be nothing taken from them whatever. If a person had bought a watch at a high

price, for use to mark the time, no injustice would be laid upon him by it being afterwards brought about that the same kind of watches could be had by him and others for half the price, he still has his watch to use, and can get another one now for less than he paid for the first. So with land, the speculative value of land would be wiped out and in its place an economic value would be established which would invariably be lower than the speculative value. Those who are using it will have the use of their land still, and be secure in the use of it as long as they will. They can also let, or sell, or bequeath houses or factories or any improvements they own on the land, to another occupier. The only change there will be, is, that they shall not be able to charge others for the use of the land itself, nor shall any other individual be permitted to charge them for the use of other land they may desire to occupy. One can hold as much or as little land as he wishes and call it his own, for he will be as secure in possession as now by meeting the economic rent arranged by society, which cannot be more, and is almost certain to be much less burdensome than the taxes, state and municipal, he now has to pay in other ways.

The whole amount of this economic rent value to be collected throughout the country will be in proportion to the needs as they arise, of the state, city, town and country. In thickly populated cities and centres of wealth this rent will be the highest, in towns not so high, in villages lower still, and in agricultural districts lowest of all. In other words the economic value is regulated and will rise or fall in relation to increase or decrease of wealth and population in any given place. Farmers who own their land at first blush would likely be greatly startled by this proposed change in land tenure until they come in time to fully understand its effects. The farmers, however, would find that they would be the greatest gainers by its adoption, inasmuch as under our system of indirect taxes and high customs duties they are at present more

heavily taxed in proportion to their means than any other class in the community. Under the new system they will be taxed in just proportion with all others, and they will know exactly what they are paying.

I believe it is only necessary for people to fully understand what is meant by nationalizing the land, for all without exception who have bought land for the purpose of using it, and want only to hold such land as they use, to gladly and heartily fall in with the proposal and urge its adoption, if from no higher motive than selfishness.

They only will lose by the proposed change who are trading in land values and are seeking to appropriate to themselves the value which is being given to land by the labours of others through increase of population and wealth. These are they who most profit by progress while they are at the same time the greatest hindrance and scourge to progress. But even the loss to those persons will not be so great as one would at first imagine, inasmuch as long before its adoption there would be a growing agitation among the people to achieve the change. The shadow of what was coming would lead these people to unload more and more as the speculative value of land kept falling, and so the loss would be spread over a very large number of those best able to bear it and who by their conduct most justly deserve to lose.

It is in large cities and great centres of production that land has the highest value, the landlords there are the wealthiest, but after the rent value of the land on which they grew wealthy has been diverted to the public who made it, as its rightful owner, these men will still have possession of their houses and other improvements, to let, sell or bequeath as they choose, though the greater part of these personal possessions has been acquired by exacting pay for the use of land in the past.

What seems to be another difficulty to many in the way of

adopting the principle of public ownership of land is the matter of taxing the rich and poor evenly, that is, according to the means of each. I think, however, if any one will look at the subject carefully and duly reflect, he will come to the conclusion that the system of a single land tax will adjust itself evenly to all, and whatever a man may possess in wealth, whether it be hundreds or thousands, he will always be paying towards the public revenue exactly what he ought, in proportion to his possessions or income, whether he occupies much land, little land or none at all, but lives up in a balloon.

This will be the case whether he live on the principle, keeping his savings in a bag, or whether he employ his wealth in production, by himself or through others, and live on the interest or profits. Inasmuch as all wealth is the product of labour and without access to land in some form labour can produce no wealth, therefore the universal tax on land which labour uses, diminishes by the amount of that tax the value of its production in each particular case. So it is easy to see that, if there was nothing to pay for using the land, a man who has acquired wealth to the extent of twenty thousand ought now to have, say twenty-five thousand, but since land has been taxed while he was accumulating his fortune he has paid five thousand to the public revenue while accumulating it, though personally he himself may not have used land. Or again, if he employ his wealth as capital or put it in the bank to be employed by it, the yearly interest he will receive will be so much less on account of the land tax, for suppose he gets five per cent., were it not for the tax on the land he would get, say six per cent.

Thus it will be seen on reflection that there is no escape under this form of tax from an even and just contribution to the public revenue. So under the proposed system of the public appropriating for public purposes land values which have been created by the public, the rich and poor will contribute in every case justly, according to their several means.

The scope of this paper will not permit of entering into further details in regard to the application of the principle of the public ownership of land. It seems to the writer that the whole subject may be compared to one of those pictures in which the outlines and relations of the figures are not seen at first sight, and even when accurately traced in full view of the beholder are yet not perceived, but after looking at it over and over again all at once the outlines of the figures come to stand

if what before appeared but a confused mass of light and shade and colour. The chief difficulty in the way of adopting this reform is that people will not consider it sufficiently to get clear conceptions, but put it aside as impracticable or utopian, or are fearful of what their minds conjure up.

We are like children afraid in the dark, and instead of going forward to examine what a glimmer of light reveals, we start back from what our imagination pictures as a monster about to swallow us, we rush back startled to cover ourselves with our mother's apron,—preconceived ideas and prejudice. Did we, like men, boldly examine the object of fear with the light of reason we would find a good angel standing waiting to bless us. We should know this to be the case here did we but follow on to know.